

# **Assembly Bill 1388**

## **CALIFORNIA TELECONNECT FUND**

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### **ISSUE**

The California Teleconnect Fund (CTF) was created in 1997 for the purpose of providing telecommunication service discounts to schools, libraries, municipalities, counties, hospitals, district-owned hospitals, health clinics, and Community Based Organizations (CBO's).

While the fund has served a substantial number of rural and economically challenged communities, there is still a dire unmet need.

In the education universe, an alarming number of students are failing academically and are in need of high quality learning opportunities outside of school. For example, 33% of all students, 41% of the economically disadvantaged students and 60% of the English Learners in the Class of 2004 failed to pass the math portion of the CA High School Exit Exam. Anecdotally, we know that there is not enough time in the school day to address students' needs in their entirety.

Many low-income communities have non-profit technology centers that are open after school, evenings and weekends. These centers could support additional online learning opportunities for students to boost their core skills. Many of the state's colleges and universities are interested in working with these centers. To do so, these local sites would need affordable access to the high speed network that serves the K-20 education community.

In the medical universe, hospitals and health clinics in underserved areas, especially those in rural communities, have difficulty attracting highly skilled professionals. Given their size and location,

The ability to replicate highly specialized units is often unfeasible. Technology tools and advances in telemedicine have made it possible for many of these smaller entities to work with UC teaching hospitals over high speed networks. Affordable access to the high speed network that serves the K-20 education community would enable clinics and rural hospitals to continue existing UC partnerships while expanding capability and capacity.

### **EXISTING LAW**

Current law allows community based organizations, hospitals and health clinics to receive a fifty percent (50%) discount on their telecommunications costs.

### **THIS BILL**

As amended, this bill would allow community based organizations, hospitals and health clinics to receive an additional thirty percent (30%) discount on telecommunications fees (and initial connection costs) if they partner with an educational entity and demonstrate the educational and health related benefits derived from access to the advanced telecommunications network used by California's K-20 educational community.

### **SUMMARY**

- This bill authorizes the California Public Utilities Commission to establish two new grants within the California Teleconnect Fund (CTF) administered by the California Public Utilities Commission.

- The Community Based Supplemental Education Demonstration Grant Program would be used to establish pilot projects in which community based organizations, and libraries would partner with an educational entity, connect to that entity and all other educational entities in the state via the advanced telecommunications network that serves education, and provide students in their community with access to online educational resources to enhance their academic performance.
- The Telemedicine Demonstration Grant Program would be used to establish pilot projects in which hospitals and health clinics would partner with an educational entity to access the K-20 network for programs that demonstrate the health-related benefits from telemedicine programs.
- Revenues to fund these two projects would be derived from repayments of the \$150 million borrowed from the CTF fund in 2003, which would be repaid by the State General Fund over a fifteen year period commencing in the 2006-07 fiscal year.
- Gives the California Public Utilities Commission the discretion to adopt a third party administrator to streamline the grant process.

## FAQS

**Why do community-based organizations, hospitals and health clinics need the additional 30% discount?**

Most entities currently have relatively slow network services. The costs associated with obtaining higher speed T-1 lines is much higher. These connections are needed to

enable students and health care workers to access online resources to be used as part of the demonstration projects.

### **How will access to higher speed connections help education?**

These high-speed internet connections will allow the targeted organizations to access the tutorial support program needed to increase their proficiency.

### **What are the medical benefits to enfranchise rural communities?**

The use of Telemedicine will provide rural communities with access to immediate, accessible, quality medical information, diagnosis and assessment.

## SUPPORT

California Community Technology Policy Group (Sponsor)  
 California Library Association  
 Northern Sierra Rural Health Network  
 North Coast Clinics Network  
 Korean Churches for Community Development  
 SBC  
 Verizon  
 TechNet  
 BroadBand Institute of California  
 California Teacher Association  
 California Public Utilities Commission  
 Korean American Federation of Los Angeles  
 North American Council for Online Learning  
 Los Angeles Unified School District  
 The Children's Partnership  
 The Bay Area Video Coalition (BAVC)  
 Kern County Superintendent of Schools  
 Riverside County Library System  
 Riverside County Schools Advocacy Association  
 Sunset Neighborhood Beacon Center  
 Foundation for Successful Solutions  
 Computers in our Future  
 Community Partners

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## **OPPOSITION**

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None on file.

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## **STATUS**

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September 8, 2006- Enrolled

## **FOR MORE INFORMATION**

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